

GOVERNOR'S WORKFORCE INVESTMENT BOARD  
EXECUTIVE COMMITTEE CONFERENCE CALL  
Walt Sullivan Building, Department of Labor and Industry

December 16, 2004  
MINUTES

**EXECUTIVE COMMITTEE MEMBERS PRESENT in person or via conference call:**

Haley Beaudry, Chair; Ellen Engstedt; Jerry Driscoll; Wendy Keating; Carol Brooker; Lew Grill; Gary Willis; Diane Harkins; Chuck Olson, Ken Switzer; Arlene Parisot

**COMMITTEE MEMBERS ABSENT:** Dick Brown; Leroy Bingham and Diane Ruff

**STAFF:** Pam Watson

**GUESTS:** Sue Mohr, Leslie Duffy, Gary Warren, Suzanne Payton, Deb Buxbaum, Linda Moodry, Mary Berg, Raini Williams, Gary Wright, Judy Stang, Jay Reardon, Laurie Lamson

**I. Call to Order**

Chairman Beaudry called the meeting to order at 2:05 p.m.

**II. Welcome and Introductions**

Chairman Beaudry welcomed the Committee members and public, and asked for the role call.

**III. Review and Approval of Minutes**

Chairman Beaudry asked if there were any changes to the agenda.

Ellen Engstedt said that the approval of minutes for December 1<sup>st</sup> 2004 should be removed as the minutes are not yet complete.

Chairman Beaudry said to take the minutes off the agenda and that the agenda remains as published except for the removal of the December 1<sup>st</sup> minutes.

Chairman Beaudry then asked if everyone had a chance to look at the September 23, 2004 minutes. If there were no changes he called for a motion to accept the minutes as written. Jerry Driscoll moved to accept the minutes. Chuck Olson seconded, and the motion passed unanimously.

Chuck Olson requested the members identify themselves when speaking so those on the conference call would know who was speaking.

**IV. Transition Report**

Chairman Beaudry said that the Board's intent is to deliver the transition report to Governor Martz and to Governor Elect Schweitzer by December 22. Chairman Beaudry then called for discussion.

Jerry Driscoll called attention to page 35, 2<sup>nd</sup> paragraph, last sentence that says "although local performance remains high, the tension and lack of trust and continued accusations against the

state are putting aspects of the system at risk". Mr. Driscoll asked if it's doing so good, what does not talking have to do with it and commented that he thought it was editorializing.

Jerry Driscoll also asked about page 35, second to last paragraph, where it said the "local boards insist it's all about money"; and page 35 last paragraph where it said "Commissioner Bill Kennedy said he was unwilling to work with the current administration". Mr. Driscoll reported that Commissioner Kennedy told local boards he denies saying that, and that he's never been called to the State Board to discuss the situation. Mr. Driscoll stated this item should not be in the report until the Board can confirm what Bill Kennedy said. Mr. Driscoll also referred to page 36, 2<sup>nd</sup> paragraph that states, "The Board takes strong opposition to MACO's refusal to cooperate". Since at the last meeting, Carol Brooker was on the phone and she was happy to cooperate, and she is a county commissioner.

Lew Grill expressed the same concerns. Mr. Grill reported that he had attended the Council of Commissioners meeting that morning through conference call, and Bill Kennedy denied the fact that there is a refusal to cooperate. The Commissioners addressed this issue and discussed the possibility that perhaps they were being misread. Lew Grill went on to say that he had talked to Jim Hunt who stated they want to cooperate with the current administration, and they would cooperate with the next administration. Mr. Grill stated the work of the Board would appear in much better light if more positive items were in the report.

Gary Willis said he also had an opportunity to listen in on the council meeting via conference call, and the people talking were all positive, willing to work together, and wishing to go ahead, and get back on track.

Carol Brooker stated she was not in attendance during the meeting in which Bill Kennedy allegedly stated MACo would not work with the current administration, so she can not testify that he did not say this. Carol Brooker said that she wants to move forward in a positive manner and is excited about working with the mediator or whoever has been hired for the upcoming event. She agreed that the transition report should be more positive.

Ellen Engstedt said that she was confused because of the many files, reports, letters, and minutes she has seen that reflect the total lack of cooperation from the local boards, MJTP and MACO. There has not been cooperation going on in the past several months. Ms. Engstedt said that she had a personal conversation with the Executive Director of MACo who told her that they didn't want to cooperate with the state, and they would prefer to wait until the next administration comes in.

Wendy Keating reported that she had reviewed her notes regarding her conversation with Bill Kennedy. He did state that MACO's position was that they were not willing to work with the current administration or the Commissioner, but would wait for the new administration; and her phone calls to Bill Kennedy and Gordon Morris were not returned. Ms. Keating stated that Bill Kennedy made the "all about money" comment at the October 20, 2004 meeting. He said this is all about money and that there is a perception out there that part of this problem is because the Department of Labor and Industry is worried about or is experiencing declines in Wagner Peyser money. Wendy Keating also reported that the Executive Director of MJTP made the same statement to MACO in a power point presentation at their annual meeting.

Wendy Keating indicated that she agreed that this section of the report is pointing out the negative, but that she has great hopes for this facilitation session and encouraged everybody to participate fully. She went on to say that after the CEP Council of Commissioner's meeting, she heard that the Commissioners had accused the Department of politically motivating the State's monitoring report and that they had refused to accept the Department's nomination for a local board member. Instead the newly appointed DLI Commissioner was appointed who is not eligible at this point. There's a reality created out there about the State that isn't true, and every time the state does something it's interpreted to fit that reality. Local board members and staff care as much about participants and the system as the Department, but the trust is so poor that no one understands the other. The report could be adjusted, but the charge to staff by both the Transition and Executive Committees was to identify the accomplishments and list the issues. Maybe the issues can be stated in more positive way, but the issues must be addressed.

Arlene Parisot said that she was troubled because she has heard Wendy Keating speak to this issue, and she has no reason not to believe her. Arlene Parisot went on to say that she had not talked to Bill Kennedy but knew that the Board has big issues to resolve, and suggested they not white wash what needs to be addressed. If the language is too strong, then the Committee should take a look at the language, but not leave out the whole issue. Wendy Keating said if MACo has said they are willing to work with the department and administration, the report could be submitted without the he said she said comments.

Diane Harkins said that she has a lot of experience with conflict management. The Board needs to advise the Governor that it was made aware of the issues, and has taken action to try to correct the situation. This is a reflection on the Board because it is part of the Board's responsibility to monitor partnerships and cooperation. When the board was made aware of what was going on, it became involved like it was suppose to in an attempt to resolve the conflict. She also stated that the report may not need a lot of detail, but does need to reflect that the Board is aware of the issues, has had preliminary conversations, and is leaving it to a professional person to get to the bottom of issues because no one on the Board has the time or the expertise to do this. The report shouldn't overlook the negative issues, but should convey to the Governor that the board is upholding its responsibilities.

Arlene Parisot supported Diane Harkins suggestion not to totally disregard what has happened, but suggested rewording some of the issue. She commented that this is an issue of credibility for the State Board as well as the local boards and their staff, and Department of Labor.

Chairman Beaudry said that the Board should recognize all that has happened, recognize what is being done to correct the situation, and that would bring everything up to date.

Lew Grill asked that the issue of the skill shortage be referenced in the report. Also, he would like to include how the system has been able to develop its One-Stop system, regardless of the decline in funding.

Ellen Engstedt suggested rewording sections of pages 35 and 36 as previously discussed, including leaving out the he said/she said comments.

Carol Brooker responded that the council meeting held earlier in the morning wasn't a MACo meeting. It was a meeting of the local board Council of Commissioners, and they made a

statement they are willing to cooperate. Carol Brooker stated that she can personally say MACo wants to cooperate and will cooperate. The language could be worded in the report that MACo is also in agreement to attend or to participate in the facilitated session.

Arlene Parisot asked if the board was dropping out those sections referencing the cooperation issues, since it appears everyone is planning to cooperate. Diane Harkins responded that was not what she understood. The report will still say there is an issue and a lack of cooperation. However, the board is aware of this, and they are taking appropriate action. Ellen Engstedt suggested that the report should also say that the parties concerned are cooperating and that some type of facilitation will take place.

Lew Grill recommended that the board drop the language as Jerry Driscoll suggested in the 3<sup>rd</sup> paragraph about the local board's insistence that it's all about money because they believe the state is concerned about declining dollars. Diane Harkins suggested that the report could say there are financial concerns. Chairman Beaudry responded that it was his understanding that the language in question was a quote from a PowerPoint presentation given by the local board staff to MACo. He also stated that the Board's job is to advise the Governor, and to list options that the Governor has, not to necessarily recommend any of those options.

Jerry Driscoll then said he wanted to add another option for the Governor, which would be to refuse to take any more federal money. Wendy Keating suggested replacing the word "recommendations" with "options", since the Committee may not want to make recommendations to the Governor, but should list the options available if the Governor has to deal with unresolved issues.

Pam Watson said that staff can do whatever pleases the committee regarding updating the document based on the changes discussed during the meeting. Ms. Watson stated that she could update the report with the suggested changes and email the updated sections to the committee for review and comment. Another committee meeting must be convened to allow for a vote to adopt the report. Arlene Parisot added that if there's a discrepancy at some point, it's the Chair's responsibility to make a final decision. Ellen Engstedt agreed.

Pam Watson asked for clarification if the suggestion was to schedule another meeting, have her distribute the next draft incorporating changes from this meeting, allow time to receive comments, and then produce a final draft with approval from Chairman Beaudry for adoption at the next committee meeting. Chairman Beaudry indicated that was appropriate, and Ms. Watson said she would get the report out to the Committee as soon possible.

Chairman Beaudry scheduled a committee conference call meeting for the afternoon of December 21<sup>st</sup>.

Pam Watson said she would get the revisions incorporated and the updated sections of the report out to everyone before the end of business December 17th. That would allow for the committee to review the document over the weekend and have any additional changes or comments to her by Monday afternoon, December 20<sup>th</sup>. She will make final changes, and submit the final draft to the committee by close of business Monday, December 20<sup>th</sup>.

Arlene asked if the purpose of the conference call would be to take action. Pam Watson responded yes, and indicated that the report must be adopted by the committee prior to being submitted to the Governor and Governor-elect.

Chairman Beaudry asked if there were any other sections of the report to the Governor that the committee wanted to discuss. Jerry Driscoll asked why #3 on page 38 was a recommendation to the Governor since the locals were already doing that, and stated his agency can't requisition money except on Friday and only for bills that were incurred the week before.

Leslie Duffy was asked to respond. She asked Jerry Driscoll for clarification as to whether he meant that they want to draw on a cash reimbursement basis as MJTP already does cash draws, or would he rather go to cash reimbursement where they have to pay for bills and ask for the cash reimbursement. Gary Wright explained that cash reimbursement was an option open to the Department, and is different than a cash draw.

Pam Watson asked if a point of clarification was to change the term cash draw on #3 to cash reimbursement? Jerry Driscoll pointed out that Gary Wright said the Department could already do that, so it's an option of the Department not the Governor. Gary Wright responded that this is an option of the Governor. The Department has the ability to do it, but it comes at the direction of the Governor.

Diane Harkins asked Leslie Duffy about the impact of changing to cash reimbursement. Ms. Duffy responded that bills would have to be paid by the operator, and then submitted to the Department for reimbursement. Currently they don't have to pay the bill; they offer it in for payment, and the Department sends them the money.

Chairman Beaudry said that it looks like they are two different things, but it sounds like cash reimbursement is a Governor's option and should be listed. Wendy Keating said that what the board has listed are the legal options for the Governor. This is one option, but not necessarily the preferred option. Ellen Engstedt commented that since the committee has decided to list an options section for the Governor, viable options should be included.

Gary Willis asked if the list included all of the legal options. Diane Harkins suggested that since the Board has listed several options, it could indicate these are possible options; or state that the board has identified these, but the list may not be all-inclusive.

Chairman Beaudry suggested that the report list the options and note these are not all-inclusive, and change the title from recommendations to options for the Governor. He asked the Committee if they wanted to go with that recommendation and get the changes out.

Diane Harkins said she thought they should make the changes, see what comments are received, are and move it along.

## **V. WIA Policy Manual**

Chairman Beaudry then asked Gary Wright for a quick review of the WIA policy manual.

Gary Wright explained that the policy manual was going through the final edit, and it would be posted on the State Board website. The State would allow at least a 14 day comment period. Gary Wright said that the State's intention is to bring it back annually for review and comment by the State Board. Chairman Beaudry said that the Committee didn't need to take any action on the policy manual.

#### **VI. 2005 Goals and Objectives**

Chairman Beaudry said that there are going to be new board member appointments, and since the next full board meeting may be held in February, the discussion should be put off until then.

Gary Willis made a motion to wait until February to begin the discussion on goals and objectives. Chuck Olson seconded the motion, which passed unanimously.

Chairman Beaudry said that February 24-25 was the transmittal date, and the legislature would not be in session. He suggested that those might be the best dates to look at for the next meeting, and staff was instructed to pursue scheduling a full board meeting for those dates.

#### **VII. Public Comment**

Chairman Beaudry asked if there were any comments from the public about the goals and objectives, annual policy manual review, or the next full board meeting. He then called for public comment on the transition report. There were no comments from the public.

Jerry Driscoll moved to adjourn.

#### **VIII. Adjournment**

Chair, Haley Beaudry adjourned the meeting at 3:15 p.m.

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Haley Beaudry, Chairman

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Date